

LCN Fund Full Submission

Supplementary Answer Form

Tick if this answer is Confidential: ☐

Tick if this answer has been provided verbally: ☐

Project code:	UKPN2002	Question Number	3
Question date	30 August 2011	Answer date	6 September 2011
Submission section question relates to	Section 7 – Regulatory issues		
Topic	Derogations		
Question	You state that you may require a derogation from SLC 14 to charge in accordance with the common connection charging methodology. Can you please be definitive about whether or not you will require this derogation.		
Notes on question			
Answer	<p>The circumstances under which a derogation from SLC 14 would be required are described in Section 7 of the FPP pro-forma.</p> <p>For all connections relevant to the FPP project, both existing connections where a change may be required and new connections, we will comply with SLC14 and apply the Common Connection Charging Methodology (CCCM) as approved by Ofgem. As such, smart devices which may be required to be installed and utilised explicitly as part of the connection will be considered as Extension Assets, and under the CCCM these costs will be charged to the generator in our connection offer. We may also provide an alternative connection offer based on traditional reinforcement which will include apportionment of Reinforcement costs in accordance with the CCCM.</p> <p>Should the generator not accept our offer(s), we may wish to explore the opportunity to further reduce the costs of the connection to the generator by not charging them the costs of the necessary smart devices as Extension Assets; should this be the case, we would seek a derogation</p>		

	from SLC14 in order to allow us to make such an offer.
Attachments	
Verbal Clarifications (Consultants)	